

Message Text

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ACTION SS-25

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C O N F I D E N T I A L SECTION 1 OF 4 EC BRUSSELS 00730

EXDIS

E.O. 11652: GDS

TAGS: EEC ETRD, EGEN

SUBJECT: VICE PRESIDENT'S MEETING AT EC COMMISSION

1. FOLLOWING REPORT OF VICE PRESIDENT'S CALL ON EC COMMIS-
SION HAS BEEN CLEARED BY THE VICE PRESIDENT'S PARTY.
2. VICE PRESID'T, ACCOMPANIED BY HINTON, AARON, COOPER,
HARTMAN, BERGSTEN AND HORMATS, MET FOR ABOUT 65 MINUTES IN
RESTRICTED SESSION WITH EUROPEAN COMMISSION PRESIDENT JENKINS,
VICE PRESIDENTS ORTOLI AND HAFERKAMP, AMBASSADOR SPAAK AND
CHEF DE CABINET TO JENKINS TICKELL.
3. VICE PRESIDENT OPENED BY EXPRESSING CARTER ADMINISTRATION'S
DESIRE FOR CLOSEST POSSIBLE COOPERATION WITH EUROPEAN COMMUNITY.
HIS PRESENCE IN BRUSSELS IN EARLY DAYS OF ADMINISTRATION WAS
MEANT TO DRAMATIZE US SUPPORT FOR PROCESS OF EUROPEAN
UNIFICATION. HE CONVEYED PRESIDENT CARTER'S BEST WISHES TO
PRESIDENT JENKINS AND HIS COLLEAGUES.

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4. JENKINS WARMLY THANKED VICE PRESIDENT. HE COMMENTED THAT,
IN PERIOD WHERE MANY GOVERNMENTS HELD TENUOUS MAJORITIES,
ONE COMMON BOND BETWEEN COMMISSION AND US ADMINISTRATION WAS
LIKELIHOOD THAT COMMISSION AND US COULD WORK TOGETHER DURING
SECURE FOUR-
YEAR TENURE. THIS MEANT WE COULD BOTH VIEW PROBLEMS FROM
A LONGER PRESPECTIVE. HE NOTED THAT RELATIVE ECONOMIC

STRENGTH OF US AND EC WOULD HAVE BEEN JUDGED DIFFERENTLY IN PAST. TODAY, HOWEVER, IT WAS CLEAR THAT THERE WAS NEED FOR STIMULUS FOR WORLD ECONOMIC GROWTH. PERHAPS SOME DAY, HE PHILOSOPHIZED, WE WOULD ADJUST TO A ZERO GROWTH WORLD BUT NOT NOW. UNEMPLOYMENT IN EUROPE WAS SEVERE AND UNFORTUNATELY IT WAS STRUCTURAL, NOT MERELY CYCLICAL. THE EUROPEAN "BICYCLE" HAD TO MOVE AHEAD OR EVENTUALLY COLLAPSE. MOREOVER, GROWTH WAS NECESSARY TO AVOID RELAPSE TO PROTECTIONISM. WE NEEDED GROWTH ALSO TO HELP DEVELOPING COUNTRIES.

5. VICE PRESIDENT AGREED ON PRIMACY OF REDRESSING BASIC ECONOMIC SITUATION AND OUTLINED ADMINISTRATION PROGRAM TO STIMULATE REAL GROWTH IN US WITHOUT INFLATION, WHILE AT SAME TIME REDUCING UNEMPLOYMENT. HE SAID HE WOULD URGE GERMANS TO STIMULATE THEIR ECONOMY ALSO. A COOPERATIVE WORLD APPROACH OF ECONOMIC STIMULUS WAS NECESSARY. HE CALLED MULTILATERAL TRADE NEGOTIATIONS "CRUCIAL". MOMENTUM HAD TO BE INJECTED INTO THE STALLED TALKS. THIS ALSO WOULD BE AN ANTIDOTE TO PROTECTIONISM. ANOTHER PRIORITY WAS ENERGY. THE ADMINISTRATION WOULD PRESENT A PROGRAM IN APRIL AND WE ENVISAGE INCREASED RELIANCE ON THE IEA FOR COOPERATIVE R&D EFFORT. PROPOSALS REGARDING THE MIDDLE EAST AND CYPRUS WERE ALSO BEING DEVELOPED. WE CONTEMPLATED A MID-YEAR SUMMIT AND BELIEVED THAT EUROPEAN COMMUNITY VIEWS, THROUGH EC PARTICIPATION, SHOULD BE MADE KNOWN AT THAT SUMMIT. HE SOUGHT REACTIONS FROM JENKINS.

6. JENKINS PICKED UP POINT ABOUT RESTORING MTN MOMENTUM AND RESTRAINING PROTECTIONISM AS SHARED GOALS. HOWEVER, HE
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ASKED WHETHER IT WAS REALISTIC TO TRY TO CONCLUDE IN 1977.

7. VICE PRESIDENT REPLIED WE MUST GO AS FAR AND AS FAST AS WE CAN. HE DIDN'T KNOW IF THE TARGET COULD BE MET, BUT HE THOUGHT THAT HAVING THE TARGET PUT PRESSURE ON NEGOTIATORS TO GET ON WITH THE JOB. UNDER-SECRETARY DESIGNATE COOPER COMMENTED THAT POSSIBLY A BETTER RESULT COULD BE OBTAINED LATER GIVEN THE STATE OF OUR ECONOMIES THIS YEAR.

8. JENKINS INQUIRED ABOUT THE PREVIOUS ADMINISTRATION'S VIEW THAT 1977 WAS A NECESSARY POLITICAL WINDOW. THE VICE PRESIDENT REPLIED THAT, WITH IMPROVED RELATIONS EXPECTED BETWEEN CONGRESS AND THE ADMINISTRATION, HE THOUGHT THAT THIS ARGUMENT WAS LESS IMPORTANT BUT HE AND JENKINS AGREED THAT THE MOST IMPORTANT THING WAS THE CONTENT OF THE RESULT, NOT THE DATE ON WHICH IT WAS ACHIEVED. NOTING THAT THE STR APPOINTMENT HAD NOT YET BEEN MADE, THE VICE PRESIDENT SAID THAT IMMEDIATELY AFTER THE STR WAS APPOINTED, INFORMAL CONSULTATIONS SHOULD BE CARRIED OUT WITH THE COMMISSION.

JENKINS REPLIED THAT AS SOON AS THE US IS READY, THE COMMISSION WILL BE READY.

9. JENKINS THEN SUGGESTED THAT EUROPE WAS HIGHLY DEPENDENT ON US ENERGY POLICY AND HOPED WE COULD WORK CLOSELY TOGETHER. THE VICE PRESIDENT AGREED COMPLETELY. THERE WAS GENERAL DISCUSSION OF THE RESPECTIVE DEGREES OF DEPENDENCY ON OPEC OIL AND RECOGNITION THAT WHILE PRODUCTION FROM UK AND NORWEGIAN FIELDS WOULD HELP, THE EUROPEAN POSITION WOULD REMAIN HIGHLY EXPOSED. THE VICE PRESIDENT ASKED FOR EUROPEAN IDEAS ON ENERGY WELL IN ADVANCE OF THE PROPOSED APRIL POLICY STATEMENT. HE SAID IT WAS IMPORTANT THAT EUROPEAN IDEAS BE GOTTEN DIRECTLY TO ASSISTANT TO THE PRESIDENT FOR ENERGY MATTERS SCHLESINGER. IT WAS AGREED THAT THE TWO SIDES WOULD KEEP IN CONTACT THROUGH AMBASSADOR HINTON TO ESTABLISH A TIMETABLE FOR EARLY OFFICIAL CONTACTS WHICH MIGHT THEN BE FOLLOWED BY POLITICAL-LEVEL TALKS WITH SCHLESINGER. VICE
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PRESIDENT SAID HE WOULD RECOMMEND THAT SCHLESINGER TAKE EUROPEAN VIEWS VERY MUCH INTO ACCOUNT.

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C O N F I D E N T I A L SECTION 2 OF 4 EC BRUSSELS 00730

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10. JENKINS INQUIRED REGARDING SUMMIT TIMING. VICE PRESIDENT REPLIED HE WAS SEEKING TO LEARN THE VIEWS OF OTHERS RE TIMING, LOCATION AND AGENDA BUT MID-YEAR SEEMED ABOUT RIGHT. JENKINS COUNSELED CAREFUL PREPARATION, THAT WE SHOULD NOT RUSH INTO IT. THE WORLD WILL EXPECT MUCH FROM THE UNITED STATES AND SHOULD NOT BE LET DOWN. HE REFERRED TO THE SCHEDULED EC SUMMIT IN ROME MARCH 24-25 AS A KEY PREPARATORY STEP. JENKINS SAID THE COMMUNITY SHOULD BE REPRESENTED AT THE ECONOMIC SUMMIT. NOTING THAT THE COUNCIL PRESIDENCY ROTATES, IF THE SUMMIT WERE HELD IN JUNE, THE UK WOULD BE AT THE END OF ITS PRESIDENCY AND BELGIUM WOULD TAKE THE CHAIR IN JULY. THEREFORE, TO PROVIDE AN ELEMENT OF CONTINUITY, THE COMMISSION SHOULD BE REPRESENTED AS WELL. NOT ONLY DID IT HAVE COMPETENCE IN THE AGRICULTURAL AND TRADE AREA, BUT THERE WAS A COMMUNITY COMMITMENT WHICH GAVE THE COMMISSION A SIGNIFICANT ROLE IN POLICY FORMULATION IN THE NORTH/SOUTH CONTEXT. THE VICE PRESIDENT ASSURED JENKINS THAT THE US WAS SUPPORTIVE OF HIS VIEW. HAFERKAMP SAID THAT A SUMMIT IN JUNE WOULD PROVIDE A USEFUL CHECK-POINT FOR PROGRESS MADE BEFORE HAND ON NORTH/SOUTH AND MTN
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ISSUES AMONG OTHERS.

11. THE VICE PRESIDENT SAID OUR AGENDA FOR THE SUMMIT WAS ECONOMIC EXPANSION, TRADE, NORTH/SOUTH, ENERGY, EAST/WEST AND A CONTINUING CONSULTATIVE MECHANISM. MR JENKINS SAID HIS AGENDA WAS SIMILAR BUT HE DREW ATTENTION TO A TIMING PROBLEM VIS-A-VIS THE CIEC NEGOTIATIONS. HE THOUGHT THE CIEC MINISTERIAL SHOULD BE HELD BEFORE THIS SUMMIT. THE VICE PRESIDENT SAID THAT WAS ESSENTIALLY IN ACCORD WITH OUR THINKING.

12. JENKINS SAID WE SHOULD BEAR IN MIND, IN CONNECTION WITH THE CIEC MINISTERIAL, THAT RESOUCES TRANSFERS TO THE DEVELOPING COUNTRIES COULD HAVE A FEEDBACK EFFECT IN STIMULATING OUR OWN ECONOMIES. THE VICE PRESIDENT SAID WE HAD TO CONSULT SOON ON CIEC ISSUES AND THAT HE UNDERSTOOD THERE WAS AN AGREEMENT TO BEGIN THE PROCESS IN WASHINGTON IN EARLY FEBRUARY. AS WE REVIEWED OUR RESPECTIVE POSITIONS, IT WAS IMPORTANT THAT THERE BE "NO SURPRISES" FROM THE OTHER SIDE. BERGSTEN INDICATED THAT WITH RESPECT TO TIMING ON CIEC THAT IT WAS IMPORTANT THAT CONGRESS BE ON-BOARD IN SUPPORT OF A SUSTAINABLE US POSITION. THIS WAS A PROBLEM TO BE BORNE IN MIND IN CONSIDERING THE CIEC MINISTERIAL.

13. TURNING TO THE GENERAL ECONOMIC SITUATION, JENKINS SAID STIMULUS FOR OUR ECONOMIES WAS NEEDED BUT WITHOUT RENEWING INFLATION. THE VICE PRESIDENT AND COOPER POINTED OUT AGAIN THAT THE ADMINISTRATION PROGRAM WAS EXPECTED TO HAVE NO NET

INFLATIONARY IMPACT. HAFERKAMP COMMENTED THAT IF INDEED THE US, IN COORDINATION WITH GERMANY AND JAPAN, FOLLOWED STIMULATORY POLICY, THE MERE ANNOUNCEMENT OF SUCH A COMMITMENT WOULD HAVE IMPORTANT PSYCHOLOGICAL IMPACT ON BUSINESSMEN AND INVESTORS THROUGHOUT THE WORLD. IN REPLY TO A QUESTION, VICE PRESIDENT SAID WE INTENDED TO KEEP THE PRESSURE ON THE JAPANESE TO AT LEAST ACHIEVE THE PROJECTED 6.7 PERCENT REAL GROWTH RATE IN 1977 AND PERHAPS TO DO BETTER.

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14. JENKINS SAID TRADE WITH JAPAN POSED A PROBLEM. THE COMMUNITY HAD A LARGE DEFICIT AND JAPANESE MARKETING STRATEGIES WERE TROUBLESOME. IT WAS IMPORTANT FOR THE JAPANESE TO INCREASE THEIR IMPORTS FROM OTHER INDUSTRIALIZED COUNTRIES. IN THE ENSUING DISCUSSION IT WAS POINTED OUT THAT IN ANY CASE OVERALL CURRENT ACCOUNT POSITIONS, NOT BILATERAL TRADE IMBALANCES, WERE WHAT MATTERED. COOPER SAID HE HAD FOUND THE JAPANESE SENSITIVE TO THE PROBLEM AND PREPARED TO GIVE GOVERNMENT GUIDANCE TO MODERATE THE GROWTH OF EXPORTS. THE VICE PRESIDENT REMARKED THAT THE EC/JAPANESE STEEL ARRANGEMENT ILLUSTRATED WHY IT WAS IMPORTANT TO AVOID OR LIMIT BILATERAL ARRANGEMENTS. HE RECOGNIZED THAT THE US WAS NOT TOTALLY BLAMELESS IN TRADE POLICY BUT HE SAID THE RESTRICTIVE STEEL ARRANGEMENT HAD PROVOKED AN ADVERSE REACTION IN THE CONGRESS AND WAS FUELING PROTECTIONIST SENTIMENTS IN THE AFL/CIO AND ELSEWHERE.

15. ORTOLI INTERVENED AND SAID WE HAD TO REALIZE THAT THE COMMUNITY WAS AT ITS POLITICAL LIMIT AS FAR AS UNEMPLOYMENT GOES. AFTER 25 YEARS OF FULL EMPLOYMENT, TO HAVE FIVE MILLION UNEMPLOYED CREATED A TERRIBLE PROBLEM. UNFORTUNATELY, JAPANESE EXPORTS WERE NOT ONLY A BALANCE OF PAYMENTS MATTER BUT WERE CONCENTRATED ON SENSITIVE SECTORS, THUS INCREASING THE POLITICAL DIFFICULTY OF MAINTAINING AN OPEN MULTILATERAL TRADING SYSTEM. JENKINS SAID HE DID NOT WISH TO DWELL ON BILATERAL US-EC TRADE PROBLEMS, BUT HE DID JUST WANT TO MENTION HIS CONCERN WITH OUR SPECIALTY STEEL QUOTAS.

16. JENKINS THEN RETURNED TO THE SUBJECT OF ENERGY, REITERATING THE CRITICAL IMPORTANCE OF SLOWING DOWN INCREASED US DEPENDENCE ON OPEC OIL. HE ADDED THAT THE DEVELOPMENT OF NUCLEAR ENERGY WAS CRUCIAL FOR EUROPE'S FUTURE. THE COMMUNITY SHARED OUR CONCERN ABOUT NUCLEAR PROLIFERATION

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AND WOULD WORK WITH US IN THE SAFEGUARDS AND OTHER AREAS.
HE MENTIONED THE COMMISSION PROPOSAL FOR REACTIVATION
FOR THE US-EURATOM SAFEGUARDS WORKING GROUP. HE ALSO SPOKE OF THE
CRITICAL IMPORTANCE OF MAINTAINING THE US COMMITMENT
TO SUPPLY ENRICHED URANIUM STRESSING THE COMPATABILITY OF
THE EFFECTIVE EURATOM SAFEGUARDS SYSTEM WHICH WOULD WORK
IN HARMONY WITH THE IAEA SYSTEM.

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EXDIS

17. THE VICE PRESIDENT REPLIED THAT THE US WOULD BUILD
ADDITIONAL ENRICHMENT CAPACITY TO ENSURE RELIABLE SUPPLIES
TO EUROPE AND ELSEWHERE. HE SAID EUROPEANS MUST RECOGNIZE
PRESIDENT CARTER'S STRONG FEELINGS ABOUT TRANSFERS OF
SENSITIVE NUCLEAR TECHNOLOGY AND MATERIAL WHICH
COULD INCREASE THE RISK OF WEAPONS PROLIFERATION. HE
COULD NOT OVER-EMPHASIZE THE IMPORTANCE OF PREVENTING SALES
OF SENSITIVE TECHNOLOGY RELATED TO WEAPONS. HE ASSURED
JENKINS AND HIS COLLEAGUES THAT THE US WOULD BE A RELIABLE
SUPPLIER TO EUROPE.

18. ORTOLI MADE A SHORT STATEMENT ABOUT THE NEED FOR
MONETARY STABILITY. THE COMMUNITY WAS NOT SEEKING FIXED
EXCHANGE RATES BUT FELT THAT MORE STABILITY IN THE SYSTEM
WAS NEEDED. HE SAID THE COMMUNITY WOULD BE TRYING TO
CONTRIBUTE TO THE SOLUTION OF THIS MAJOR PROBLEM.

19. THE VICE PRESIDENT RAISED THE IMPORTANCE OF THE PROPOSED CONSORTIUM TO PROVIDE STABILIZATION AID TO PORTUGAL AND SAID WE WOULD WISH TO TALK FURTHER ABOUT THIS
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SHORTLY. JENKINS REPLIED THAT THE COMMUNITY WOULD DO WHAT IT COULD AND ADDED THAT PORTUGAL WAS AN IMPORTANT MATTER IN ANOTHER SENSE SINCE IT WOULD SOON APPLY FOR COMMUNITY MEMBERSHIP FOLLOWING GREECE WHERE NEGOTIATIONS ARE ALREADY IN COURSE. A SPANISH APPLICATION WAS ALSO ANTICIPATED SOON AND PERHAPS EVENTUALLY A TURKISH. SINCE THESE COUNTRIES WERE LESS DEVELOPED, HAVING A PER CAPITA GNP LEVEL OF ABOUT 1/3 THE EC AVERAGE, THE ECONOMIC PROBLEM, TO SAY NOTHING OF THE POLITICAL IMPLICATIONS, WAS AN IMPORTANT ONE. THESE COUNTRIES WERE SEEKING EC MEMBERSHIP LARGELY FOR POLITICAL REASONS. THE COMMUNITY WOULD BE POLITICALLY RESPONSIVE, BUT ONCE AGAIN, GIVEN THE DIFFICULTIES OF PROVIDING ADDITIONAL ASSISTANCE AND TRADE LIBERALIZATION IN PRESENT ECONOMIC CIRCUMSTANCES, IT WAS CLEAR THAT ECONOMIC GROWTH WOULD BE AN IMPORTANT ELEMENT IN FACILITATING A SOLUTION TO THE ENLARGEMENT PROBLEMS THE COMMUNITY FACED.

20. THE RESTRICTED MEETING ADJOURNED AT THAT POINT PERMITTING BRIEF PRIVATE MONDALE-JENKINS CHAT AND THEN THE GROUP MOVED TO PLENARY SESSION WITH FULL COMMISSION WHICH LASTED ABOUT 15 MINUTES. JENKINS AGAIN EXPRESSED APPRECIATION TO VICE PRESIDENT AND PRESIDENT FOR MAKING BRUSSELS FIRST STOP ON VICE PRESIDENT'S TRIP. VICE PRESIDENT RESPONDED BY CONVEYING PRESIDENT'S BEST WISHES TO THE COMMISSION AND EXPRESSING HIS HOPE THAT THIS VISIT WOULD BEGIN A CONTINUING DIALOGUE BETWEEN THE COMMUNITY AND THE UNITED STATES IN BOTH DIRECTIONS. AFTER SUMMARIZING SUBJECTS DISCUSSED IN THE RESTRICTED MEETING, THE VICE PRESIDENT SAID HE HOPED THAT PRESIDENT JENKINS CAN VISIT THE US SOON TO CONTINUE WITH PRESIDENT CARTER THE KIND OF DIALOGUE THAT WE BOTH CONSIDER IMPORTANT.

21. IN RESPONSE TO THE VICE PRESIDENT'S INVITATION, COOPER REMARKED THAT ONE OF THE CENTRAL THEMES WHICH THE VICE PRESIDENT WOULD BE STRESSING THROUGHOUT HIS TRIP WAS THE NEED FOR THE US, EUROPE AND JAPAN TO LOOK AT THE ISSUES
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OF MACRO-ECONOMIC POLICY WITH A GLOBAL, RATHER THAN JUST NATIONAL, PERSPECTIVE. HE NOTED THAT THE PROBLEMS IN OUR

RELATIONS WITH EACH OTHER ARE CONDITIONED BY THE CURRENT WORLD ECONOMIC SLUMP AND THAT IT IS INCUMBENT UPON OUR NATIONS TO JOINTLY PROVIDE AN ENGINE OF GROWTH. HE SAID THAT PRESIDENT CARTER'S PROPOSALS FOR RESTIMULATING THE US ECONOMY WOULD NOT BE SUFFICIENT TO BRING THE WORLD OUT OF THAT SLUMP AND THAT WE LOOKED TO THOSE IN EUROPE, OF WHICH THE COMMISSION IS ONE, AND JAPAN WHO CAN CONTRIBUTE A GLOBAL PERSPECTIVE TO MOVE WITH US IN THIS ENDEAVOR. JENKINS REPLIED THAT THE COMMISSION STRONGLY SHARED THAT VIEW.

22. COMMISSIONER GUNDELACH NOTED THAT AGRICULTURAL ISSUES HAVE ALWAYS BEEN ONE OF THE MAJOR PROBLEM CHILDREN IN OUR RELATIONS. HE AGREED THAT OUR FIRST EFFORT SHOULD BE TO RESTIMULATE ECONOMIC RECOVERY AND TO PREVENT BACKSLIDING INTO PROTECTIONISM. HE FELT THAT THE TEMPTATIONS TOWARDS PROTECTIONIST ACTIONS MAY WELL BE EVEN STRONGER THIS YEAR THAN IN THE RECENT PAST AND THAT IT IS OUR JOINT RESPONSIBILITY TO PREVENT BACKSLIDING FROM HAPPENING. WHILE HE COULD ASSURE US THAT THE COMMISSION WOULD DO ALL IT CAN TO PREVENT THIS FROM HAPPENING, HE CAUTIONED THAT WE NOT UNDERESTIMATE THE PSYCHOLOGICAL IMPORTANCE OF AGRICULTURE TO THE EUROPEANS. IN OUR RELATIONS WE CAN NOT AFFORD TO BE DOGMATIC AND MUST BEAR IN MIND THE REALITIES. THESE INCLUDED THE FACTS THAT THE US EXPORTS CONSIDERABLY MORE TO EUROPE THAN IT DOES TO US, AND THAT THE COMPLEX OF POLITICAL AND SOCIAL PROBLEMS ASSOCIATED WITH AGRICULTURE IN EUROPE, WHILE THEY MUST LEAD TO CHANGE, DO MEAN THAT EUROPEAN POLICY CANNOT BE CHANGED FROM ONE DAY TO THE OTHER.

23. GUNDELACH STRESSED THAT THE COMMISSION WOULD BE READY TO DEAL WITH AGRICULTURE BOTH IN THE MTN AND BILATERALLY BUT APPEALED FOR BOTH SIDES TO TRY TO LOWER THE TEMPERATURE IN OUR CRITICISM OF EACH OTHER, TO TAKE ACCOUNT OF THE

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REALITIES OF THE SITUATION, TO BEAR IN MIND THAT BOTH SIDES HAVE SOCIAL/POLITICAL PROBLEMS, BUT TO BE CONFIDENT THAT, WITH REALISM AND IMAGINATION, WE CAN MAKE A NEW START IN THE NEGOTIATING PROCESS. HE CONCLUDED BY SAYING THAT HE HOPED WE COULD GET TOGETHER SOON TO DISCUSS POSSIBLE NEW DEPARTURES IN AGRICULTURE BEFORE POLICIES ON BOTH SIDES HARDENED AND PREVENTED ANY PROGRESS.

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C O N F I D E N T I A L SECTION 4 OF 4 EC BRUSSELS 00730

EXDIS

24. THE VICE PRESIDENT AGREED THAT SUCH DISCUSSIONS WOULD BE IMPORTANT, AND EMPHASIZED THE ADMINISTRATION'S WILLINGNESS TO MOVE AHEAD WITH THE MTNS AND THE NEW TEAM'S DESIRE TO COME TO GRIPS WITH THE AGRICULTURAL ISSUES IN THE HOPE THAT PROGRESS COULD BE MADE. HE SAID NEITHER OF US SHOULD BE UNDER ANY ILLUSION THAT THIS WOULD BE EASY BUT IT HAD TO BE DONE. THE NEED WAS TO APPROACH THE PROBLEM IN A RESPONSIBLE WAY AND THAT THE ADMINISTRATION WAS PREPARED TO DO THIS.

25. COMMISSIONER BRUNNER RAISED THE SUBJECT OF ENERGY AND OUR RELATIONS ON NUCLEAR MATTERS. HE STRESSED THAT WE ARE BOTH PURSUING THE SAME OBJECTIVES ON NON-PROLIFERATION AND SECURITY. EURATOM HAS A WORKING SYSTEM WHICH MUST BE REINFORCED. HE HOPED THAT THE US AND THE COMMISSION COULD HAVE EARLY DISCUSSIONS ON THESE ISSUES IN ORDER TO SORT OUT THE DIFFICULTIES. HE FELT IN PARTICULAR THAT US OBJECTIVES OF A GLOBAL CHARACTER TO REINFORCE NON-PROLIFERATION AND SECURITY DO NOT CONFLICT WITH EUROPEAN REGIONAL OBJECTIVES AS EXERCISED THROUGH EURATOM.

26. THE VICE PRESIDENT STRESSED AGAIN THE EMPHASIS
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PRESIDENT CARTER PUTS ON THE CONTROL OF SENSITIVE NUCLEAR MATERIALS AND REMARKED THAT OUR CONCERNS DID NOT ARISE OUT OF ECONOMIC BUT RATHER FROM INTERNATIONAL SECURITY CONSIDERATIONS.

27. JENKINS AGAIN THANKED THE VICE PRESIDENT FOR HIS

VISIT TO THE COMMISSION AND HOPED THAT THIS WOULD BE JUST
THE BEGINNING OF A PATTERN OF FRUITFUL COOPERATION BETWEEN
THE COMMUNITY AND THE NEW US ADMINISTRATION. HINTON

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Message Attributes

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